



# MINUTES

## Executive Board

**Sixth Meeting  
2013 Interim  
November 18 & 19, 2013**

**Room 413  
State Capitol  
Pierre, South Dakota**

The sixth 2013 interim meeting of the Legislative Research Council Executive Board was called to order by Chair Ryan Maher at 10:55 a.m. (CST), November 18, 2013, in Room 413 of the State Capitol, Pierre, South Dakota.

A quorum was determined with the following members answering the roll call: Senators Corey Brown, Phyllis Heineman, Larry Lucas, Ryan Maher (Chair), Deb Peters, Deb Sohlt, and Craig Tieszen; and Representatives Lance Carson (Vice Chair), Brian Gosch, Spencer Hawley, Charles Hoffman, Isaac Latterell, Betty Olson, Kathy Tyler, and Steven Westra.

Staff members present included Fred Schoenfeld, Interim LRC Director; Reuben Bezpaletz, Chief Analyst for Research and Legal Services; Doug Decker, Code Counsel; and Ann Mehlhaff, Chief Analyst for Fiscal and Budget Services; and Teri Retrum, Administrative Assistant.

For the purpose of continuity, these minutes are not necessarily in chronological order. Also, all material distributed at the meeting is attached to the original minutes on file in the Legislative Research Council (LRC). This meeting was web cast live. The archived web cast is available at the LRC web site at <http://legis.sd.gov> under "Interim – 2013 – Agenda, Minutes and Documents."

The Computer Technology Subcommittee met at 9:00 a.m. in the LRC Conference Room; the Legislative Interns Subcommittee met at 9:00 a.m. in the LRC Library; the Operations Subcommittee met at 9:30 a.m. in the LRC Library; and the Personnel Subcommittee met at 10:00 a.m. in the LRC Conference Room.

### **Approval of Minutes**

**SENATOR HEINEMAN MOVED, SECONDED BY REPRESENTATIVE CARSON, THAT THE MINUTES OF THE SEPTEMBER 25, 2013, MEETING BE APPROVED. The motion prevailed on a voice vote.**

### **Approval of Agenda**

**Chair Ryan Maher** informed Board members that he invited State Treasurer Richard Sattgast to address concerns regarding when and by what manner legislators were informed of unexpected unclaimed property dollars. Chair Maher asked that this item be added to the agenda.

**SENATOR PETERS MOVED, SECONDED BY REPRESENTATIVE LATTERELL, THAT THE EXECUTIVE BOARD ADD A PRESENTATION FROM STATE TREASURER RICHARD SATTGAST TO THE AGENDA. The motion prevailed on a voice vote.**

**REPRESENTATIVE TYLER MOVED, SECONDED BY REPRESENTATIVE HAWLEY THAT DISCUSSION OF THE EB-5 PROGRAM BE ADDED TO THE AGENDA.**

**Senator Corey Brown** asked Representative Tyler to explain the purpose of her motion.

**Representative Kathy Tyler** responded that in her opinion the Executive Board on behalf of the Legislature should be gathering more information and possibly requesting an audit of the Governor's Office of Economic Development to ascertain all that has been involved in the EB-5 situation.

**Senator Deb Peters** cautioned that the Executive Board could be in danger of overstepping its authority by requesting an audit.

Senator Brown said that currently there is a federal investigation, a state investigation, and the Governor has called for an independent investigation. The Senator said that he would be hesitant to approve this request because he does not think it would move the process forward.

Representative Tyler said that a fiscal audit would add to the information of overseas accounts and other concerns.

**Representative Brian Gosch** stated that the Department of Legislative Audit also is reviewing EB-5. Such a review already falls under the purview of the Legislature's Government Operations and Audit Committee. Representative Gosch questioned whether the state should spend any more of the taxpayers' dollars on this matter until more is known.

Responding to a question posed by **Representative Lance Carson**, Representative Tyler said that a fiscal audit has been pulled from the Governor's investigation. She said that her idea would be one more step to clarify to the people of South Dakota what is going on.

**REPRESENTATIVE TYLER'S MOTION FAILED ON A VOICE VOTE.**

**REPRESENTATIVE HOFFMAN MOVED, SECONDED BY REPRESENTATIVE LATTERELL, THAT THE EXECUTIVE BOARD APPROVE THE AGENDA AS AMENDED. The motion prevailed on a voice vote.**

### **Subcommittee Reports**

#### Computer Technology Subcommittee

**Senator Larry Lucas**, Chair of the subcommittee, told the Board that that the subcommittee is not recommending moving toward a separate information system for the Legislature as was mentioned in the NCSL audit. The logistics would be difficult and the costs would be too high.

Senator Lucas reported that two computer interns have been hired to work during Session. Also, Senator Lucas said that the new website will be up and running this Thursday (November 21, 2013).

#### Legislative Interns Subcommittee

**David Ortbahn**, LRC Principal Research Analyst, reported that the subcommittee reviewed the status of the current selection of legislative interns. There is a total of 31 applications—21 Republicans for 17 positions; 10 Democrats for 5 positions. Mr. Ortbahn said that staff completed the rankings and sent the applications to leadership for their selection.

Mr. Ortbahn discussed how the intern positions might be utilized to better effect. Along with Mr. Ortbahn, the intern classes for college credit will be taught by Fred Baatz, Principal Research Analyst, and Amanda Reiss, Legislative Attorney.

Responding to Senator Peters concerning protocol for advertising for interns, Mr. Ortbahn said that LRC works with intern coordinators at each college campus, and the Legislature's intern opportunity is prominently displayed on the LRC website. A press release also is published.

#### Operations Subcommittee

**Senator Craig Tieszen**, Chair of the subcommittee, began his report by commending LRC staff and the leadership team for their work the past few months. Senator Tieszen said that they have done an excellent job of moving forward.

Senator Tieszen reviewed the results of the subcommittee's discussion on the recommendations from NCSL regarding its LRC management and performance audit as follows:

1. Draft legislation to amend SDCL 2-9-3 and rules to establish the Speaker of the House and the Senate Pro Tempore as rotating chairs of the Executive Board;
2. Draft legislation to amend SDCL 2-9-8 to provide for removal of the Director of the Legislative Research Council;
3. Input from the Executive Board and the Legislators concerning orientation and training of its members;
4. More orientation and training program for Executive Board members;
5. Establish LRC staff performance appraisals;
6. Implement LRC staff meetings—already begun;
7. Develop official personnel policies and procedures as deemed appropriate by the LRC Director—draft personnel manual was distributed to the Executive Board;

8. Create a formal LRC management team—Code Counsel has been added to the management team, which is now in place; and
9. LRC staff does not believe that limited partisan staffing will be difficult to handle.

Regarding partisan staffing, **Mr. Fred Schoenfeld**, LRC Interim Director, told the Board that one of the key considerations has been the staff nonpartisan participation concerning requests from legislators. Mr. Schoenfeld said that because staff prepares and researches legislation, reports, and other information almost on a daily basis, staff does become a part of partisan activity indirectly. On page 8 of the draft personnel manual there is an outline of the services LRC provides and which services staff will not provide.

Mr. Schoenfeld said the relationship between LRC fiscal staff and the Executive Branch should be reviewed and asked **Ms. Ann Mehlhaff**, LRC Chief Fiscal Analyst, to elaborate some of the concerns.

Among the concerns and possible remedies Ms. Mehlhaff outlined were the following:

- Budget submission deadline: Statutes require the budget be presented to the Legislature in early December. If the Governor's Budget Address were moved to the second Tuesday in November, this could allow more days for the Legislature to review the Governor's proposed budget. Another possible change to the budget process could be to expand the duties of the Joint Committee on Appropriations to include budget hearings before session begins.
- Long-term financial plan: Require the executive branch to submit a long-term financial plan which would provide critical information to the Legislature when enacting new laws, or making changes to existing laws.
- Change fiscal note process: Current joint legislative rule requires the Bureau of Finance and Management to sign off on a fiscal note before the Legislature can act on the bill. Strike that requirement from the rule.

Chair Maher read the document distribution proposals to remedy some of the legislator's perceptions that the LRC fiscal staff does not exercise sufficient independence from the Executive Branch.

#### Personnel Subcommittee

Senator Brown, Chair of the subcommittee, commended Mr. Decker on his work preparing the draft LRC Personnel Manual and said that the subcommittee recommended that the Executive Board temporarily adopt the draft manual now and discuss a formal adoption later.

At this time, Senator Brown requested introduction of the three new LRC staff:

Ms. Roxanne Hammond, Legislative Attorney;  
Mr. Kevin Kumpf, Computer Programmer; and  
Mr. Jason Simmons, Senior Fiscal Analyst.

The new staff was welcomed by Board members.

Regarding the recommendation in the NCSL's report that LRC add to staff beyond the people already hired to fill current vacancies, Senator Brown said that the subcommittee recommended that the issue be put on hold until a permanent LRC Director is hired. Chair Maher deferred further discussion of the subcommittee reports.

The Executive Board recessed at 12:05 p.m. and reconvened at 12:50 p.m.

## **Management Team Reports**

### **Administration**

Mr. Schoenfeld told the Board that LRC has implemented a management team approach to report to the Executive Board concerning staff's work. He said that these team reports will replace the Director's Report portion of the Board meetings. The following compose the management team:

Fred Schoenfeld	Administration;
Doug Decker	Code Counsel;
Reuben Bezpaletz	Chief Analyst for Research and Legal Services; and
Ann Mehlhaff	Chief Analyst for Fiscal and Budget Services.

To begin the management team reports, Mr. Schoenfeld said that the employee reporting structure of the office has been revised to more accurately reflect the activities provided. He said that there will be changes in office space to accommodate the newly hired employees and noted that the LRC Conference Room might become the Code Counsel Office once again.

Reporting on 2014 Legislative Session matters, Mr. Schoenfeld said that the session employees have been hired and that all openings have been filled as of Friday, November 15, 2013. Also as of Friday, a total of 101 Legislative Page applications have been received—64 House Page applicants—37 Senate Page applicants. Mr. Schoenfeld said that Ms. Phyllis Perkovich, Page Advisor, would feel more comfortable if there were a higher number of applicants, so applications are still being accepted. He told the Board that the redecorating in the leadership offices, key committee rooms, and the appropriations suite should be mostly completed by Session.

### **Code Counsel**

Mr. Decker said that he was General Counsel to the Personnel Bureau prior to becoming Code Counsel, so Interim Director Schoenfeld appointed him to review the personnel manual and performance appraisal procedures of the LRC. Mr. Decker informed the Board that he reviewed how other states conduct these activities and also spoke to the Department of Legislative Audit concerning its procedures. He contacted the Bureau of Human Services (formerly Bureau of Personnel) and was told that they would be able to train LRC staff regarding how to implement a performance review system. In addition, Mr. Decker reported that Mr. Schoenfeld talked to NCSL for ideas. A draft personnel manual was given to Chair Maher who recommended that Mr. Decker further develop the draft personnel manual for

review by the Executive Board. Mr. Decker said that all LRC staff was given a copy of the draft for their input. Mr. Decker also attended Bureau of Human Resources training from both the employee and supervisor standpoint regarding a performance appraisal.

Chair Maher deferred further discussion on the personnel manual.

#### Fiscal and Budget Services

Ms. Mehlhaff reported that the internal budget review reflects that the LRC budget is on track.

Expanding her remarks to the state's budget, Ms. Mehlhaff said that an omission of a large unexpected unclaimed property receipt was noted. Staff explored the omission and learned that the Chairs of the Appropriations Committee and the LRC Fiscal Staff were unaware—no one received notice of the situation.

**Mr. Richard Sattgast**, State Treasurer, addressed some of the concerns about when the State became aware of the notably larger amount of money in unclaimed property and when legislators were made aware of the development. Mr. Sattgast said that the Treasurer's Office was told that the estimate for unclaimed property was about \$53 million. On October 24, the Office was notified by its largest holder that the amount would be substantially higher—closer to \$122 million. Mr. Sattgast said that the Office worked with the institution to wire the money. He said that the Treasurer's Office works very closely with the Governor's Office, the Bureau of Finance and Management, and the Investment Office. Mr. Sattgast stated that his primary concern is to make sure that the numbers the Treasurer's Office are giving to people are accurate. When LRC contacted the Treasurer's staff, the Office was still in contact with BFM and the Governor's Office to make sure that the numbers were correct.

Senator Brown said that he wanted to make it "crystal clear" that he would anticipate that, if a member of the Legislature's staff requests information from an independently elected officer of the State, that information would be given to and received by the Legislature's staff.

Mr. Sattgast said that he has been working on the amount of the new money that can be considered on-going funds.

Senator Heineman said that the process to inform the Legislature needs to be improved.

Senator Peters said that when there is a change to an agency budget, she, as Appropriations Chair, receives that information, so she encouraged Mr. Sattgast to inform the legislators of changes in revenue also. She urged Mr. Sattgast to keep the communication lines open.

#### Research and Legal Services

Mr. Bezpaletz said that the item he liked most in the report from NCSL was on more communication between LRC staff and the Executive Board and other legislators. He stated that, at some appropriate point in time, he would be more than willing to visit with them extensively in this regard.

Mr. Bezpaletz gave a brief historical review of how agency bills are handled. He recommended that the due date for agency bills to be in LRC be changed. Mr. Bezpaletz said that most of the bills come in with a date line of September or October, which leads him to believe that those drafts could be delivered to LRC earlier than late December. According to Mr. Bezpaletz, last session, the office received the agency bills very late, which makes it difficult for LRC to complete its work. He said that the office is considering hiring one or two of the session secretaries to help proof before and during session.

Mr. Bezpaletz said that he continues to be concerned regarding the creation of fiscal notes on public safety issues and the requirement that there has to be a fiscal note on every change in criminal penalties. He said that, if the Legislature is serious about distancing itself from the Executive Branch, changes to the fiscal note procedure would help.

### **Reports of Interim Committees and Issue Memorandum**

Copies of each interim draft committee report and the Issue Memorandum on the Five Trust Funds are compiled and labeled **Document #1**.

#### Education Funding Formula Study Committee

**Representative Jacqueline Sly**, Chair, reviewed the committee's report. Representative Sly said that schools are concerned about budget stability, capital outlay, technology issues, and professional development for teachers. Opt-outs were discussed, and the committee discussed legislation and resolutions.

Representative Sly reviewed a list of legislation and resolutions adopted by the committee and the recommendations of the committee. She noted that the committee was very interested in making sure that regional high school career and technical education centers are established and portable career and technical education units are being created to benefit all students, but most especially those in the state's most rural schools.

Based on the information presented to the committee over the course of its interim study, the committee recommends that the Executive Board accept its draft legislation and move it forward to the full Legislature.

**Responding to Representative Charles Hoffman**, Representative Sly said that the committee did not discuss the funding for long-distance technology for the technical schools and smaller schools.

**Representative Brian Gosch** said that, as he reviews the committee proposals, one would be a financial burden to South Dakota and asked to what extent the committee took into consideration these parameters.

Representative Sly said that she sent a letter to the Executive Board asking direction from them regarding the committee's study assignment.

Representative Tyler said that the committee gathered much data regarding this question. She said that it was a very good study committee and was summarized well.

Senator Brown asked if there were fiscal notes prepared concerning the draft proposals.

Representative Tyler responded that two of the proposals would garner a \$6-to-\$7 million increase.

**SENATOR LUCAS MOVED, SECONDED BY REPRESENTATIVE TYLER, THAT THE EXECUTIVE BOARD ADOPT THE PROPOSED LEGISLATION AND RESOLUTIONS BY THE EDUCATION FUNDING FORMULA COMMITTEE TO BE INTRODUCED IN THE 2014 LEGISLATIVE SESSION. The motion prevailed on a roll call vote with 9 voting AYE, 6 voting NAY. Those voting AYE: Heineman, Lucas, Soholt, Tieszen, Hawley, Hoffman, Latterell, Tyler, Maher. Those voting NAY: Brown, Peters, Gosch, Olson, Westra, Carson.**

#### Domestic Abuse Study Committee

**Senator Deb Soholt**, Chair, reviewed the activities of the Domestic Abuse Study Committee. Senator Soholt said the committee looked closely at the current laws affecting domestic abuse in South Dakota. The committee discussed a major issue of recurring concern—the second amendment rights of South Dakota citizens due to federal domestic abuse laws. They were briefed by LRC staff and the Office of the Attorney General that federal laws prohibiting a person convicted of a misdemeanor crime of domestic violence from owning a firearm are completely separate from any state laws. Senator Soholt outlined the draft legislation adopted by the committee and discussed additional committee recommendations. She told the Board that the committee also thought that the issue of domestic abuse should be explored as a stand-alone statute and that perhaps the topic should be a future study.

**SENATOR LUCAS MOVED, SECONDED BY SENATOR HEINEMAN, THAT THE EXECUTIVE BOARD ADOPT THE PROPOSED LEGISLATION BY THE DOMESTIC ABUSE STUDY COMMITTEE TO BE INTRODUCED IN THE 2014 LEGISLATIVE SESSION. The motion prevailed unanimously on a roll call vote with 15 voting AYE.**

#### State Investment Council and South Dakota Retirement System

**Mr. Matt Clark**, State Investment Officer, and **Mr. Rob Wylie**, Executive Director, South Dakota Retirement System (SDRS), presented their reports to the Executive Board. The reports are labeled **Documents #2 and #3**, respectively.

Mr. Clark said that it has been a good year for the South Dakota Investment Council (SDIC). The Council's long-term approach will continue to be very important as it moves forward. Mr. Clark cautioned that the current success is unsustainable; however, he said that the Council manages the majority of assets internally to save money and to try to earn higher returns. Mr. Clark thanked the Governor's Office and the Legislature for their support of the Council in its long-term approach to investment.

Mr. Wylie reported that 75% of the nation's employee investment plans are below South Dakota's investment performance. He said that some of the states are doing well, but South Dakota is doing very well. Mr. Wylie reported that any unfunded balances in the SDRS were paid off taking the funding to zero.



**REPRESENTATIVE CARSON MOVED, SECONDED BY REPRESENTATIVE TYLER, THAT THE EXECUTIVE BOARD ACCEPT THE REPORTS FROM THE SOUTH DAKOTA INVESTMENT COUNCIL AND THE SOUTH DAKOTA RETIREMENT SYSTEM. The motion prevailed on a voice vote.**

Issue Memorandum 01-13—Five Major Funds

**Mr. Aaron Olson**, Senior Fiscal Analyst, discussed the Issue Memo on Five Major Funds:

- Budget Reserve Fund;
- Property Tax Reduction Fund;
- Dakota Cement Trust Fund;
- Education Enhancement Trust Fund; and
- Health Care Trust Fund.

The Executive Board recessed at 3:15 p.m. and went into Executive Session.

**SENATOR LUCAS MOVED, SECONDED BY REPRESENTATIVE CARSON, THAT THE EXECUTIVE BOARD COME OUT OF EXECUTIVE SESSION. The motion prevailed on a voice vote.**

The Executive Board came out of Executive Session at 5:40 p.m.

Board Action

**SENATOR TIESZEN MOVED, SECONDED BY REPRESENTATIVE TYLER, TO DIRECT LRC STAFF TO DEVELOP A PLAN OF ACTION TO COMPEL THE EXECUTIVE BRANCH TO DELIVER ITS AGENCY BILLS TO LRC SOONER THAN IN THE PAST. The motion prevailed on a voice vote.**

**SENATOR TIESZEN MOVED, SECONDED BY REPRESENTATIVE HAWLEY, THAT THE LEGISLATIVE CAUCUS LEADERS BE A PART OF THE EXECUTIVE BOARD AND THAT THE BOARD ACT AS A BODY THAT MEETS ALL YEAR.**

**REPRESENTATIVE LATTERELL MADE A SUBSTITUTE MOTION TO DELETE THAT THE BOARD ACT AS A BODY THAT MEETS ALL YEAR. The substitute motion failed due to lack of a second.**

**The motion made by Senator Tieszen prevailed on a roll call vote with 12 voting AYE, 2 voting NAY, 1 EXCUSED. Those voting AYE: Brown, Heineman, Peters, Tieszen, Gosch, Hawley, Hoffman, Olson, Tyler, Westra, Carson, Maher. Those voting NAY: Lucas, Latterell. Those EXCUSED: Soholt.**

Chair Maher directed that Mr. Schoenfeld, Mr. Bezpaletz, and himself will meet with all four caucuses to inform them about the revamping that has taken place in LRC.

The Executive Board recessed at 6:06 p.m. and reconvened at 8:00 a.m. on Tuesday, November 19, 2013.

Tuesday, November 19, 2013

Representative Tyler expressed her concern regarding how the interim reports are handled and suggested that the Executive Board should accept the reports if they do not go outside the scope of authority set for a committee by the Board. Also, Representative Tyler said that the Board should accept the legislation to be brought forth in the legislative session.

Senator Peters said that she thought the report by the Education Funding Formula Committee was outside the set parameters and that is why she voted against the motion on Monday.

### **Draft Legislation**

Copies of draft legislation are compiled and labeled **Document #4**.

V0134—An Act to revise certain provisions related to the annual budget report submission.

Ms. Mehlhaff said that the draft legislation provides for an earlier date requirement for Executive Branch agencies to submit their budgets to LRC not later than September first of each year, rather than October fifteenth. She explained that moving up the submission date does not mean that the Appropriations Committee will begin holding budget hearings. The purpose is to give staff more time to review the agency budgets.

After discussion regarding the dates, the Executive Board directed LRC staff to revise the draft to reflect the Board's intentions regarding the dates on page 2 of the draft.

V0132—An Act to require a financial plan that assesses the long-term financial implications of current and proposed policies, programs, and assumptions.

**REPRESENTATIVE HAWLEY MOVED, SECONDED BY REPRESENTATIVE CARSON, THAT THE EXECUTIVE BOARD ADOPT DRAFT LEGISLATION V0132 TO BE INTRODUCED IN THE 2014 LEGISLATIVE SESSION. The motion prevailed on a voice vote.**

### **Proposed Changes to Joint Rule 6C-2 and 6C-6**

Ms. Mehlhaff stated that the proposed change to JR 6C-2 deletes the requirement that LRC prepare a fiscal note in consultation with the Bureau of Finance and Management, leaving the fiscal note preparation for prefiled bills or resolutions under the direction of the LRC at the request of a presiding officer.

Regarding JR 6C-6, Ms. Mehlhaff said the proposal deletes the requirement that LRC prepare a fiscal note in consultation with the BFM, leaving the fiscal note preparation for a bill or resolution which has an effect on the revenues, expenditures, or fiscal liability of any political subdivision of the state under the direction of the LRC at the request of a presiding officer or any legislator.

**SENATOR TIESZEN MOVED, SECONDED BY REPRESENTATIVE GOSCH, THAT THE PROPOSED CHANGES TO JOINT RULES 6C-2 AND 6C-6 BE REFERRED TO THE**

**LEGISLATIVE PROCEDURES COMMITTEE FOR RESOLVE. The motion prevailed on a voice vote.**

Draft V0150—An Act to provide for the selection of the chair and vice chair of the Executive Board of the Legislative Research Council, to provide for the year-round governance of the Legislative Research Council by the Executive Board, to provide for the term of each constituted Executive Board, and to provide for continuity of board membership.

**SENATOR HEINEMAN MOVED, SECONDED BY REPRESENTATIVE OLSON, THAT THE EXECUTIVE BOARD ADOPT THE DRAFT RESOLUTION V0150 TO BE INTRODUCED IN THE 2014 LEGISLATIVE SESSION. The motion prevailed on a voice vote.**

### **Reports of Interim Committees (Continued)**

#### Government Operations and Audit Committee

**Mr. Tim Flannery**, Department of Legislative Audit, distributed copies “Report of the Government Operations and Audit Committee 2013” (**Document #5**).

Mr. Flannery reviewed the committee’s activities, among which were audit reports, specific matters pertaining to various state agencies, and juvenile corrections. He said that the committee also is charged with reviewing any findings of abuse or neglect of juveniles in a juvenile correctional facility. Mr. Flannery reported that the Department of Legislative Audit suggested that the statutes need to be clarified regarding abuse of minors. The committee requested that the applicable agencies meet and report to the Legislature with any recommended changes.

Representative Hoffman asked why GOAC does not have oversight of the South Dakota High School Activities Association. Mr. Flannery said that he would defer the question to the Auditor General.

Senator Lucas commented that the question from Representative Hoffman reflects some dissatisfaction among the smaller schools with the activities association’s two dollar increase in ticket prices for state tournaments, one dollar of which goes to the association.

**SENATOR PETERS MOVED, SECONDED BY SENATOR HEINEMAN, TO ACCEPT THE REPORT FROM THE GOVERNMENT OPERATIONS AND AUDIT COMMITTEE. The motion prevailed on a voice vote.**

#### Legislative Planning Committee

**Representative Scott Munsterman**, Chair of the committee, presented via phone the committee’s report. The report is labeled **Document #6**.

Representative Munsterman reported that the committee is moving forward with its policy discussion and presenting the following draft legislation:

Draft V0039—An Act to provide certain information regarding postsecondary technical institutes be given to parents and guardians of students in middle schools and high schools.

The legislation amends SDCL 13-28-50 to include requiring each school district to provide a list of students by name in grades seven to twelve, inclusive, together with their mailing addresses, to the executive director of the Board of Regents and to the secretary of the Department of Education. The secretary shall distribute the information to each postsecondary technical institute located in the state so that the board and each postsecondary technical institute shall use the information to inform the parents and guardians of any such student in any public middle school and high school about the courses needed to prepare for postsecondary-level work and about the benefits of such preparation.

**SENATOR PETERS MOVED, SECONDED BY REPRESENTATIVE OLSON, THAT THE EXECUTIVE BOARD ADOPT DRAFT LEGISLATION V0039 TO BE INTRODUCED IN THE 2014 LEGISLATIVE SESSION. The motion prevailed on a voice vote.**

Representative Tyler questioned whether this motion might not be appropriate.

Senator Heineman said that the merits of the bill are not being judged. The Executive Board determines whether the draft adheres to the parameters of the study as set forth by the Board.

**REPRESENTATIVE CARSON MOVED, SECONDED BY SENATOR HEINEMAN, THAT THE EXECUTIVE BOARD ADOPT THE REPORT OF THE LEGISLATIVE PLANNING COMMITTEE. The motion prevailed on a roll call vote with 11 voting AYE, 3 EXCUSED, 1 ABSTENTION. Those voting AYE: Heineman, Lucas, Peters, Tieszen, Hawley, Hoffman, Latterell, Olson, Tyler, Carson, Maher. Those EXCUSED: Brown, Gosch, Westra. Those ABSTAINING: Soholt.**

#### Ag Land Assessment Task Force

**Mr. Fred Baatz**, Principal Research Analyst, reviewed the report and the draft legislation adopted by the Ag Land Assessment Task Force.

Mr. Baatz reviewed the draft legislation adopted by the task force:

Draft V0018—An Act to revise certain provisions concerning the assessment and taxation of agricultural property.

Draft V0022—An Act to provide for the assessment and taxation of agricultural land based on its actual use.

**REPRESENTATIVE HOFFMAN MOVED, SECONDED BY SENATOR LUCAS, THAT THE EXECUTIVE BOARD ADOPT DRAFT LEGISLATION V0018 AND DRAFT LEGISLATION V0022 TO BE INTRODUCED IN THE 2014 LEGISLATIVE SESSION. The motion prevailed on a roll call vote with 10 voting AYE, 2 voting NAY, 3 EXCUSED. Those voting AYE: Heineman, Lucas, Soholt, Tieszen, Hawley, Hoffman, Latterell, Olson, Tyler, Maher. Those voting NAY: Peters, Carson. Those EXCUSED: Brown, Gosch, Westra.**

### Appropriations Committee

Ms. Mehlhaff stated that the information regarding the Appropriations Committee was addressed in her report on November 18, 2013.

**SENATOR PETERS MOVED, SECONDED BY REPRESENTATIVE HAWLEY, THAT THE EXECUTIVE BOARD ADOPT THE APPROPRIATIONS COMMITTEE REPORT. The motion prevailed on a voice vote.**

### Code Commission

Mr. Decker reported the following draft legislation was adopted by the Code Commission:

- An to codify legislation enacted in 2013.

Mr. Decker told the Board that the Code Commission will consider an amendment to SDCL 2-16-7.1 to extend the contract for the publication of the Code from one to five years instead of year-to-year.

**SENATOR HEINEMAN MOVED, SECONDED BY SENATOR LUCAS, THAT THE EXECUTIVE BOARD ACCEPT THE CODE COMMISSION REPORT. The motion prevailed on a voice vote.**

### Rules Review

Mr. Decker reviewed the volume of proposed rules that are subject to rule review. He said that a lot of preliminary review by LRC staff concerning whether a rule meets the statutory authority that creates the rule-making takes place before a rule is approved by the committee.

**Representative Isaac Latterell** said that the Rules Review Committee should have more flexibility to veto a rule and would advocate strengthening the rules review process in South Dakota.

**SENATOR HEINEMAN MOVED, SECONDED BY REPRESENTATIVE LATTERELL, THAT THE EXECUTIVE BOARD ACCEPT THE RULES REVIEW COMMITTEE REPORT. The motion prevailed on a voice vote.**

### State-Tribal Relations Committee

**Mr. Tom Magedanz**, Principal Research Analyst, told the Board that the State-Tribal Relations Committee is an on-going interim committee that was created in statute (SDCL 2-6-20 through 2-6-23) in 1993 as a part of the state's reconciliation efforts. The committee provides a forum within state government for discussion of issues affecting the Native American community and issues involving Tribal governments and State government.

Mr. Magedanz said that, as in most years, the committee did not adopt draft legislation.

**REPRESENTATIVE OLSON MOVED, SECONDED BY SENATOR LUCAS, THAT THE EXECUTIVE BOARD ACCEPT THE RULES REVIEW COMMITTEE REPORT. The motion prevailed on a voice vote.**

#### Regional Watershed Advisory Task Force

Mr. Magedanz said that the task force was created by SB 169 in the 2012 Legislative Session. The bill established the task force to operate until January 2015 and to address issues relating to watershed management, drainage, erosion, flood control, reclamation, and environmental protection and improvement of lands, soils, and waters. The task force consists of fourteen members, of which four are members of the House of Representatives, four are members of the Senate, and six are members of the general public with backgrounds in natural resources law, science, or management; agriculture; or business.

Mr. Magedanz said that the task force is not geared to work on scientific information; however, 2014 might be the appropriate time for the task force to develop legislation concerning its study focus.

**REPRESENTATIVE OLSON MOVED, SECONDED BY REPRESENTATIVE LATTERELL, THAT THE EXECUTIVE BOARD ACCEPT THE REGIONAL WATERSHED ADVISORY TASK FORCE REPORT. The motion prevailed on a voice vote.**

The Executive Board recessed at 10:35 a.m. and reconvened at 11:26 a.m.

#### **Other Business**

#### Action on Recommendations from NCSL Report

**SENATOR PETERS MOVED, SECONDED BY REPRESENTATIVE LATTERELL, THAT THE EXECUTIVE BOARD ADOPT RECOMMENDATION #4 OF THE NCSL REPORT AS OUTLINED IN THE LRC INTERIM REPORT.**

**REPRESENTATIVE HAWLEY MADE A SUBSTITUTE MOTION, SECONDED BY SENATOR TIESZEN, THAT THE EXECUTIVE BOARD ADOPT RECOMMENDATIONS #3 THROUGH #8 OF THE NCSL REPORT AS OUTLINED IN THE LRC INTERIM REPORT. The substitute motion prevailed on a roll call vote with 14 voting AYE, 1 EXCUSED. Those voting AYE: Brown, Heineman, Lucas, Peters, Tieszen, Gosch, Hawley, Hoffman, Latterell, Olson, Tyler, Westra, Carson, Maher. Those EXCUSED: Soholt.**

**SENATOR TIESZEN MOVED, SECONDED BY SENATOR PETERS, THAT THE EXECUTIVE BOARD ADOPT RECOMMENDATION #9 OF THE NCSL REPORT AS OUTLINED IN THE LRC INTERIM REPORT. The motion prevailed on a roll call vote with 13 voting AYE, 1 voting NAY, 1 EXCUSED. Those voting AYE: Brown, Heineman, Peters, Tieszen, Gosch, Hawley, Hoffman, Latterell, Olson, Tyler, Westra, Carson, Maher. Those voting NAY: Lucas. Those EXCUSED: Soholt.**

#### Chambers Automation Upgrade

Senator Lucas reviewed the chambers automation upgrade.

**Ms. Lou Adamson**, Legislative Information System Coordinator, and **Mr. Kevin Kumpf**, Legislative Computer Programmer, discussed a PowerPoint Presentation regarding ideas for the chambers automation upgrade.

Responding to a question from Representative Hawley, Ms. Adamson said that rough estimates to install wiring for an upgrade are \$25,000 for the Senate; \$45,000 for the House.

Chair Maher said that the Senate probably will remain vocal.

Senator Peters said that the wiring would be great to update the microphones.

#### Personnel Manual for the Legislative Research Council

Chair Maher said that the draft Personnel Manual is adopted on a temporary basis and that the Executive Board will address it further at a December meeting.

Senator Tieszen commended Mr. Decker on his work to develop a Personnel Manual. He said it is very readable and easily understood. Senator Tieszen commented that the Board might want to discuss the issues outlined on pages 7, 8, and 9.

Senator Heineman echoed the comments by Senator Tieszen and particularly noted the section on the services LRC provides to Legislators as something the Board should review carefully.

#### **Next Meeting Date and Adjournment**

The Board set its next meeting date on Monday, December 16, 2013.

**REPRESENTATIVE OLSON MOVED, SECONDED BY SENATOR TIESZEN, THAT THE EXECUTIVE BOARD BE ADJOURNED. The motion prevailed on a voice vote.**

The Executive Board adjourned at 12:06 p.m.



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